ANNUAL REPORT

Of

Company Name:

Ajo Improvement - Electric

PO Drawer 9

Mailing Address:

0

Ajo

85321

RECEIVED BY EMAIL

04/15/2021, 2:43 PM

Docket No.: For the Year Ended: E-01025A

12/31/20

AZ

ARIZONA CORPORATION COMMISSION **UTILITIES DIVISION**

ELECTRIC

To

Arizona Corporation Commission

Due on April 15th

Email: Util-Compliance@azcc.gov, mail or deliver the completed Annual Report to: Arizona Corporation Commission Compliance Section - Utilities Division 1200 West Washington Street Phoenix, Arizona 85007

Application Type:

Original Filing

Application Date:

4/14/2021

ARIZONA CORPORATION COMMISSION ELECTRIC UTILITIY ANNUAL REPORT COMPANY INFORMATION

For the Calendar Year Ended:	<u>12/31/20</u>			
Company/Business Name:	Ajo Improve	ement - Electric		
Mailing Address:				
_	Ajo Improvement - Electric	State: Arizona	Zip Code:	85321
Telephone Number:	928)865-7383	Fax Number: NA		
Email:	htaylor@fmi.com			ė.
Regulatory and Management Co	ontact			
	John M. Key	1		
	President	7		
Telephone No. :		┪		
	333 N. Central Ave. Ste. 20.030			
	Phoenix	State: Arizona	Zip Code:	85004
	jkey@fmi.com	State Massia		05001
Statutory Agent				
	Registered Agent Solutions, Inc.			
	Corporation			
Telephone No.:				_
Address:	300 W. Clarendon Ave. Ste. 240			
City:	Phoenix	State: Arizona	Zip Code:	85013
Email:	N/A			X)
Attorney				
	Douglas N. Currault II			
	Senior Vice President	- /2		
Telephone No. :		-		
	333 N. Central Ave. Ste. 25.009			
	Phoenix	State: Arizona	Zip Code:	85004
-	deurraul@fmi.com	State. 7 Hizona	Zip code.	03004
Billati.	acarraa(g/mi.com			
Attorney				
Name:	Michael Patten			
Title:	Attorney			
Telephone No.:	602)920-4131			
Address:	One Arizona Center 400 East Van Buren Street Suit	e 1900		
City:	Phoenix	State: Arizona	Zip Code:	85004
Email:	mpatten@swlaw.com			t
Ownership:	C Corporation (C) (Other than Association/Co-op)			
Ownership.	Corporation (C) (Other than Association/Co-op)			
Counties Served:	Pima			
				Page 2

ARIZONA CORPORATION COMMISSION ELECTRIC UTILITIY ANNUAL REPORT Ajo Improvement - Electric

Important changes during the year					
No For those companies not subject to the affiliated interest rules, has there been a change in ownership or direct control during the					
year?					
If yes, please provide specific details in the box below.					
N/A					
No Has the company been notified by any other regulatory authorities during the year, that they are out of compliance?					
If yes, please provide specific details in the box below.					
N/A					

SERVICES AUTHORIZED TO PROVIDE

Yes	Electric
Yes	Investor Owned Electric
No	Rural Electric Cooperative
No	Utility Distributed Company
No	Electric Service Provider
N/A	Transmission Service Provider
N/A	Meter Service Provider
N/A	Meter Reading Service Provider
N/A	Billing and Collection
N/A	Ancillary Services
N/A	Generation Provider
N/A	Aggregator/Broker

N/A Other (Specify)

STATISTICAL INFORMATION							
Retail Information							
	Number of Arizona Customers	Number of kWh Sold in Arizona					
Residential	809	5,743,178					
Commercial	299	4,450,793					
Industrial	0	0					
Public Street and Highway Lighting	0	0					
Irrigation	0	0					
Total Retail	1,108	10,193,971					

Wholesale Information						
	Number of Customers	Number of kWh Sold				
Resale	1	15,664				
Short-term Sales (duration of less	0	0				
than one-year)	0	U				
Total Wholesale	1	15,664				

Total Sold	10,209,635	KW
Maximum Peak Load	2,987	
Distribution System Losses	1,326,643	
Distribution Losses	10.99%	
Transmission Losses	0.00%	
System Average Interruption Duration	1,302	
Index (SAIDI)	1,302	
Distribution System Losses	1,326,643	
Customer Average Interruption	202	
Duration Index (CAIDI)	202	
System Average Interruption Frequency	4	
Index (SAIFI)	6	

Ajo Improvement - Electric ELECTRIC UTILITIY ANNUAL REPORT VERIFICATION AND SWORN STATEMENT (INTRASTATE REVENUE ONLY) 12/31/20

11 .00		ND SWORN STA	TEMENT (INT	TRASTATE REVENUE	ONLY)	
Verification:	State of Ar izona	lr .	the undersigned	of the		
	(state		ine undersigned	or the		
	County of (county name):		aricopa			
	Name (owner or official) title:		hn M. Key, Pres	ident		
	Company name:	Ajo Improvement	- Electric			
	DO SAY THAT THIS ANNUA CORPORATION COMMISSION		PERTY TAX A	ND SALES TAX REPOR	T TO THE ARIZONA	
	FOR THE YEAR ENDING:	12/31/20				
	HAS BEEN PREPARED UND UTILITY; THAT I HAVE CAL AND CORRECT STATEMEN REPORT IN RESPECT TO EA KNOWLEDGE, INFORMATION	REFULLY EXAMI IT OF BUSINESS A ACH AND EVERY	NED THE SAN AND AFFAIRS	ME, AND DECLARE TH OF SAID UTILITY FOR	E SAME TO BE A COMP THE PERIOD COVEREI	LETE
	IN ACCORDANCE WITH TH STATUTES, IT IS HEREIN RI FROM ARIZONA INTRASTA	EPORTED THAT T	THE GROSS O	PERATING REVENUE	OF SAID UTILITY DERIV	
			uizana Intuastat	Cuasa Omanatina Davanu	on Only (f)	
		<u>A</u>	rizona Intrastate	e Gross Operating Revenu \$1,040,146	ies Only (\$)	
		(T)	he amount in the	box above includes		
				\$59,218 in sales	taxes	
		bil	led or collected			
					11	
				dilan &	M	
			-	sionatri	re of owner/official	
				oigitata	ire of owner/official	
			[602)366-7176	
				1	telephone no.	
		SUBSCRIBED A		O BEFORE ME A NOTA	ARY PUBLIC	
		THIS			F (county na (month) and)21
		MY COMMISSIO	ON EXPIRES	D-L (de	1-2021 ate)	
		STEPHANIE RENINGE Notary Public - State of Arizon MARICOPA COUNTY	na 👢 🖫	Hephany J.	In the line of notary public)	
		My Commission Expire December 04, 2021		Gigiatt	and or monary publicy	Page 5

Ajo Improvement - Electric ELECTRIC UTILITIY ANNUAL REPORT VERIFICATION AND SWORN STATEMENT (RESIDENTIAL REVENUE) 12/31/20

	VERIFICATION AND SWORN STATEMENT (RESIDENTIAL REVENUE)
Verification:	State of Ar izona I, the undersigned of the (state name)
	County of (county name): Name (owner or official) title: Company name: Maricopa John M. Key Ajo Improvement - Electric
	DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.
	FOR THE YEAR ENDING: 12/31/20
	HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.
Sworn Statement:	IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:
	Arizona Intrastate Gross Operating Revenues Only (\$) \$571,973 (The amount in the box above includes \$32,884 in sales taxes billed or collected)
	signature of owner/official
	602)366-7176 telephone no.
	SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY (county name)
	THIS DAY OF ADAL (month) and (year)
	MY COMMISSION EXPIRES 12-1-2(1) (date)

Account No.	Description	PLANT IN SERVI Beginning Year	Current Year	Current Year	Adjusted Original	Accumulated	OCLD (OC less
Intangible P	lant	Original Cost	Additions	Retirements	Cost	Depreciation	AD)
	Organization	50	\$0	\$0	\$0	\$0	S
302	Franchises and consents	0	0	0	0	0	(
	Miscellaneous intangible plant	0	0	0	0	0	
Steam Produ 310	Land and land rights	0	0	0	0	0	(
311	Structures and improvements	0	0	0	0.	0	
	Boiler plant equipment	0	0	0	0	0	(
	Engines and engine-driven generators Turbogenerator units	0	0	0	0	0	(
	Accessory electric equipment	0	0	0	0	0	
	Miscellaneous power plant equipment	0	0	0	0	0	(
	Asset retirement costs	0	0	0	0	0	
Nuclear Pro		0	0	0	0.1	0	
	Land and land rights Structures and improvements	0	0	0	0	0	
	Reactor plant equipment	0	0	0	0	0	(
	Turbogenerator units	0	0	0	0	0	
	Accessory electric equipment	0	0	0	0	0	
	Miscellaneous power plant equipment Asset retirement costs	0	0	0	0	0	(
Hydraulic P			•	0	•	• 1	
330	Land and land rights	0	0	0	0	0	(
	Structures and improvements	0	0	0	0	0	(
	Reservoirs, dams and waterways Water wheels, turbines and generators	0	0	0	0	0	(
	Accessory electric equipment	0	0	0	0	0	(
335	Miscellaneous power plant equipment	0	0	0	0	0	(
	Roads, railroads and bridges	0	0	0	0	0	C
	Asset retirement costs	0	0	0	0	0	
Other Produ	Land and land rights	1 0	0	0	0	0	0
	Structures and improvements	0	0	0	0	0	0
	Fuel holders, producers, and accessories	0	0	.0	0	0	0
	Prime movers	0	0	0	0	0	0
	Generators Accessorry electric equipment	0	0	0	0	0	0
	Miscellaneous power plant equipment	0	0	0	0	0	0
347	Asset retirement costs	0	0	0	. 0	0	0
	Energy Storage Equipment-Production	0	0	0	0	0	0
Transmissio 350	n Plant Land and land rights	0	0	0	0	0	0
	Structures and improvements	0	0	0	0	0	0
	Station equipment	0	0	0	0	0	0
354	Towers and fixtures	0	0	0	0	0	0
	Poles and fixtures	0	0	0	0	0	0
	Overhead conductors and devices Underground conduit	0	0	0	0	0	0
	Underground conductors and devices	0	0	0	0	0	0
	Road and trails	0	0	0	0	0	0
	Asset retirement costs for transmission plant	0	0	0	0	0	0
Distribution 360	Land and land rights	01	0	0	0	0	0
	Structures and improvements	19,850	0	0	19,850	6,948	12,902
362	Station equipment	667,302	0	0	667,302	511,598	155,704
	Storage battery equipment	0	0	0	0	0	0
	Poles, towers and fixtures Overhead conductors and devices	134,540 36,448	0	0	134,540 36,448	75,276 36,389	59,264 58
	Underground conduit	0	0	0	0	0	0
	Underground conductors and devices	0	0	0	0	0	0
	Line transformers	4,823,581	0	0	4,823,581	2,060,807	2,762,774
	Services Meters	1,309,493	109,843	0	1,309,493 304,624	510,688 96,923	798,805 207,701
	Installations on customers' premises	194,781	109,843	0	304,624	96,923	207,701
372	Leased property on customers' premises	0	0	0	0	0	0
373	Street lighting and signal systems	0	0	0	0	0	0
	Asset retirement costs for distribution plant	0	0	0	0	0	0
	nsmission and Market Operation Plant Land and land rights	0	0	0	0	0	0
	Structures and improvements	0	0	0	0	0	0
382	Computer hardware	0	0	0	0	0	0
	Computer software	27,075	0	0	27,075	27,075	0
	Communications equipment Miscellaneous regional transmission and market operation plant	0	0	0	0	0	0
	Asset retirement costs for regional transmission and market operation plant	0	0	0	0	0	0
General Plan	it and the second secon						
	Land and land rights	0	0	0	0	0	0
	Structures and improvements Office furniture and equipment	0	0	0	0	0	0
	Office furniture and equipment Transportation equipment	56,684	241,621	0	298,305	169,792	128,513
	Stores equipment	0	0	0	0	0	0
394	Tools, shop and garage equipment	4,603	0	0	4,603	1,028	3,575
	Laboratory equipment	0	0	0	0	0	0
	Power operated equipment Communications equipment	9,762	0	0	9,762	3,980	5,782
	Miscellaneous equipment	9,762	0	0	9,762	0,980	0,782
	Other tangible property	0	0	0	0	0	0
		0	0	0	0	0	0
	Asset retirement costs for general plant Totals	\$7,284,121	\$351,464	S0	\$7,635,584	\$3,500,505	\$4,135,079

	DEPRECIATION EX				2)			
Account No.	Description	Beginning Year	Current Year	Current Year	Adjusted	Fully	Depreciation	Depreciation
		Original Cost	Additions	Retirements	Original Cost	Depreciated/Non- depreciable Plant	Percentages	Expense
Intangible PI	lant			W				
301	Organization	\$0	\$0	SO.	\$0	S0	0.00%	
302	Franchises and consents	0	0	0	0	0	0.00%	0
303 Steam Produ	Miscellaneous intangible plant	1 0	U	U	U	0	0.00%	
310	Land and land rights	1 0	0	0	0	0	0.00%	0
311	Structures and improvements	0	0	0	0	0	0.00%	
312	Boiler plant equipment	0	0	0	0	0	0.00%	
313	Engines and engine-driven generators	0	0	0	0	0	0.00%	
314	Turbogenerator units	0	0	0	0	0	0.00%	
315	Accessorry electric equipment	0	0	0	0	0	0.00%	
316	Miscellaneous power plant equipment	0	0	0	0	0	0.00%	
317 Nuclear Prod	Asset retirement costs	0	0	0	0	0	0.00%	0
320	Land and land rights	1 0	0	0	0	0	0.00%	0
321	Structures and improvements	0	0	0	0	0	0.00%	0
322	Reactor plant equipment	0	0	0	0	0	0.00%	0
323	Turbogenerator units	0	0	0	0	0	0.00%	0
324	Accessorry electric equipment	0	0	0	0	0	0.00%	0
325	Miscellaneous power plant equipment	0	0	0	0	0	0.00%	0
326	Asset retirement costs	0	0	0	0	0	0.00%	0
Hydraulic Pr								
330	Land and land rights	0	0	0	0	0	0.00%	
331	Structures and improvements	0	0	0	0	0	0.00%	0
332 333	Reservoirs, dams and waterways	0	0	0	0	0	0.00%	0
333	Water wheels, turbines and generators Accessorry electric equipment	0	0	0	0	0	0.00%	0
334	Miscellaneous power plant equipment	0	0	0	0	0	0.00%	0
336	Roads, railroads and bridges	0	0	0	0	0	0.00%	0
337	Asset retirement costs	0	0	0	0	0	0.00%	0
Other Produc								
340	Land and land rights	0	0	0	0	0	0.00%	0
341	Structures and improvements	0	0	0	0	0	0.00%	0
342	Fuel holders, producers, and accessories	0	0	0	0	0	0.00%	0
343	Prime movers	0	0	0	0	0	0.00%	
344	Generators	0	0	0	0	0	0.00%	0
345	Accessorry electric equipment	0	0	0	0	0	0.00%	0
346	Miscellaneous power plant equipment	0	0	0	0	0	0.00%	0
347 348	Asset retirement costs Energy Storage Equipment-Production	1 0	0	0	0	0	0.00%	0
Transmission		1 01	0	•	0	0	0.0078	
350	Land and land rights	0 1	0	0	0	0	0,00%	0
352	Structures and improvements	0	0	0	0	0	0.00%	0
353	Station equipment	0	0	. 0	0	0	0,00%	0
354	Towers and fixtures	0	0	0	0	0	0.00%	0
355	Poles and fixtures	0	0	0	0	0	0.00%	0
356	Overhead conductors and devices	0	0	0	0	0	0.00%	0
357	Underground conduit	0	0	0	0	0	0.00%	0
358	Underground conductors and devices	0	0	0	0	0	0.00%	0
359 359.1	Road and trails Asset retirement costs for transmission plant	0	0	0	0	0	0.00%	0
Distribution		0	0 1	0	U	0	0,00%	0
360	Land and land rights	I 01	0	0	0	0	0.00%	0
361	Structures and improvements	19,850	0	0	19,850	6,948	5.13%	662
362	Station equipment	667,302	0	0	667,302	511,598	14.29%	22,243
363	Storage battery equipment	0	0	0	0	0.	0.00%	0
364	Poles, towers and fixtures	134,540	0	0	134,540	75,276	7.57%	4,485
	Overhead conductors and devices	36,448	0	0	36,448	36,389	7.40%	4
	Underground conduit	0	0	0	0	0	0.00%	
367	Underground conductors and devices	0	0	0	0	0	0.00%	0
368	Line transformers	4,823,581	0	0	4,823,581	2,060,807	5.76%	159,248
369	Services	1,309,493	100 843	0	1,309,493	510,688	4.89%	39,088
370 371	Meters Installations on customers' premises	194,781	109,843	0	304,624	96,923 0	6.14% 0.00%	9,376
371	Leased property on customers' premises	0	0	0	0	0	0.00%	0
373	Street lighting and signal systems	0	0	0	0	0	0.00%	0
374	Asset retirement costs for distribution plant	0	0	0	0	0	0.00%	0
	Insmission and Market Operation Plant				, ,		2,0070	
380	Land and land rights	0	0	0.	0	0.	0.00%	
381	Structures and improvements	0	0.	0	0	0	0.00%	0
382	Computer hardware	0	0	0	0	0	0.00%	0
	Computer software	27,075	0	0	27,075	27,075	0.00%	
384	Communications equipment	0	0	0	0	0	0.00%	0
	Miscellaneous regional transmission and market operation plant	0	0	0	0	0	0.00%	0
	Asset retirement costs for regional transmission and market operation plant	0	0	0	0	0	0.00%	0
General Plan 389	It Land and land rights	0 0	0 [0	0	0	0,00%	0
390	Structures and improvements	0	0	0	0	0	0.00%	0
391	Office furniture and equipment	0	0	0	0	0	0.00%	
392	Transportation equipment	56,684	241,621	0	298,305	169,792	829.11%	
393	Stores equipment	0	0	0	0	0	0.00%	. 0
394	Tools, shop and garage equipment	4,603	0	0	4,603	1,028	5.15%	184
395	Laboratory equipment	0	0	0	0	0	0.00%	0
396	Power operated equipment	0	0	0	0	0	0.00%	0
397	Communications equipment	9,762	0	0	9,762	3,980	15.58%	901
	Miscellaneous equipment	0	0	0	0	0	0.00%	0
398								
399	Other tangible property	0	0	0	0	0	0.00%	. 0
		0 0 \$7,284,121	0 0 \$351,464	0 0	0 0 \$7,635,584	\$3,500,505	0.00%	0 \$300,051

BALANCE SHEET ASS	SETS	
Assets and Other Debits	Balance at Beginning of Year (2020)	Balance at End of Year (2020)
Utility Plant		
Plant in service	\$7,284,121	\$7,635,584
Accumulated depreciation and amortization	(3,131,873)	(3,500,505)
Construction work in progress	109,792	0
Palo Verde sale leaseback (net of accumulated amortization)	0	0
Nuclear fuel (net of accumulate amortization)	0	0
Total Utility Plant	\$4,262,040	\$4,135,079
Other Property and Investments		
Non-utility property (net)	0	0
Investments in associated companies/organizations	0	0
Investments in subsidiary companies/organizations	0	0
Nuclear decommissioning trust	0	0
Other investments	0	0
Total Other Property and Investments	\$0	\$0
Current and Accrued Assets		
Cash and cash equivalents	\$201,901	\$94,038
Customer and other receivables	80,708	192,131
Accounts receivable	0	0
Allowance for doubful accounts	0	0
Materials and supplies (at average cost)	59	54
Notes receivable (related party due within one year)	0	0
Fossil fuel (at average cost)	0	0
Regulatory assets	0	0
Deferred debits	0	0
Other current assets	0	0
Total Fixed Assets	\$282,668	\$286,223
Total Assets and Other Debits	\$4,544,708	\$4,421,302

BALANCE SHEET LIABILITIES AND OWNERS EQUITY						
Liabilities and Other Credits	Balance at Beginning of Year (2020)	Balance at End of Year (2020)				
Current Liabilities	1.25	40.15				
Accounts payable	\$1,370	\$846				
Customer/Member deposits	1,587	3,850				
Current maturities of Long-Term Debt	0	0				
Accrued expenses	56.005	32,983				
Accrued taxes Accrued interest	56,985	32,983				
Notes payable to associated companies	2,256,553	0				
Short-term borrowing	2,230,333	0				
Common dividends payable	0	0				
Other regulatory liabilities	0	0				
Liabilities for asset retirement	0	0				
Other current liabilities	0	0				
Total Current Liabilities	\$2,316,495	\$37,679				
Long Term Debt						
Long-Term Debt	_ \ \$0	\$0				
Deferred Credits						
Deferred income tax	\$0	\$0				
Regulatory liabilities	0	0				
Accumulated deferred investment tax credits	0	0				
Liabilities for assest retirements	0	0				
Liabilities for pension benefits	0	0				
Customer advances	0	0				
Coal mine reclamation	0	0				
Deferred revenues Construction advances	942,027	942,027				
Deferred investment tax credit	(159,808)	(190,648)				
Unrecognized tax benefits	0	(170,010)				
Other deferred credits	0	0				
Total Deferred Credits	\$782,219	\$751,379				
Total Liabilites	\$3,098,714	\$789,057				
Total Empires	ψ5,070,714	\$107,031				
Capital Accounts						
Common stock	\$392,000	\$392,000				
Additional paid-in capital	24,275,043	31,119,561				
Retained earnings	(23,221,049)	(27,879,316)				
Memberships	0	0				
Patronage capital	0	0				
Accumulated other comprehensive	0	0				
Total Capital	\$1,445,994	\$3,632,245				
Total Liabilities and Capital	\$4,544,708	\$4,421,302				

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

444	sales al and industrial sales at and highway lighting to public authorities troads and railways sale mental sales or rate refunds muses Expenses n supervision and engineering mses other sources efferred-Credit penses ous steam power expense supplies and expenses	Last Year 01/01/2019 - 12/31/2019 \$502,670 290,375 0 0 0 0 0 0 \$793,045	Current Year 01/01/2020 - 12/31/2020 \$539,08 272,950 (((((((((((((((((((
440 Residential	sales al and industrial sales at and highway lighting to public authorities troads and railways sale mental sales or rate refunds muses Expenses n supervision and engineering mses other sources efferred-Credit penses ous steam power expense supplies and expenses	\$502,670 290,375 0 0 0 0 0 0 0 \$5793,045	\$539,081 272,950 () () () () () () () () () () () () ()
440 Residential	sales al and industrial sales at and highway lighting to public authorities troads and railways sale mental sales or rate refunds muses Expenses n supervision and engineering mses other sources efferred-Credit penses ous steam power expense supplies and expenses	\$0 \$793,045	\$812,03:
442 Commercia	all and industrial sales at and highway lighting to public authorities troads and railways sale mental sales or rate refunds muses Expenses n mupervision and engineering mses a other sources deferred-Credit denses bus steam power expense supplies and expenses authorities denses de of structures de of structures de of electric plant de of delectric plant de of miscellaneous steam plant de of miscellaneous steam plant de of miscellaneous steam plant de of steam production plant de of miscellaneous steam plant	\$0 \$793,045	\$812,03:
445 Other sales 446	to public authorities Itroads and railways sale mental sales or rate refunds mues Expenses n pupervision and engineering mess other sources ferred-Credit menses ous steam power expense supplies and expenses in the sources of the sources mupplies and expenses in the sources mupplies and expenses mupplies and expe	\$0 \$793,045 \$0 \$793,045 \$0 0 0 0 0 0 0 0 0 0 0 0 0 0	\$812,039 \$812,039 \$(((((((((((((((((((
446	Iroads and railways sale mental sales or rate refunds muses Expenses n supervision and engineering ses other sources seferred-Credit sources seferred credit sources supplies and expenses supplies and expenses supplies and expenses set supervision and engineering set of structures set of boiler plant set of electric plant set of miscellaneous steam plant set of miscellaneous steam plant set of steam production plant sion supervision and engineering	\$0 \$793,045 \$0 \$793,045 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$812,03!
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\$12 Maintenanc \$13 Maintenanc \$14 Maintenanc \$15 Maintenanc Nuclear Power Generati \$17 Operation s \$18 Nuclear fue \$19 Coolants an	ee of boiler plant see of electric plant ee of miscellaneous steam plant ee of steam production plant tion supervision and engineering	0 0 0	(
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518 Nuclear fue 519 Coolants an			
519 Coolants an	l expense	0	(
		0	(
520 Steam evne	nd water	0	(
JZO JSteam expe	nses	0	
521 Steam from	other sources	0	
	ferred-Credit	. 0	
523 Electric exp		0	
	ous nuclear power expense	0	
525 Rents		0	
	e supervision and engineering	0	(
	e of structures	0	(
	e of reactor plant equipment	0	(
	e of electric plant e of miscellaneous nuclear plant	0	
Other	e of infiscentifieous fluctear plant	0	-
	Services - Accounting	26,064	26,064
	Services - Accounting	187,398	24,315
	Services - Management Fees	7,646	16,614
	Services - Water Testing	0	(0,01
	Services - Other	176,059	50,308
640 Rents		0	,
641 Rental of B	uilding/Real Property	0	(
642 Rental of E	. 711	0	
	ion Expenses	10,022	5,813
	General Liability	2,541	2,563
	Health and Life	0	(
	Commission Expense - Rate	0	(
670 Bad Debt E		(12,507)	60
	ous Expense	73,586	236,940
403 Depreciatio		233,196	300,051
	r Than Income	0	(
408.11 Property Ta		80,065	73,978
409 Income Tax		0	(
	ecurity Deposit Interest rating Expenses	\$784,070	\$736,700
	Income / (Loss)	\$8,975	\$75,334
		\$0,975	\$ 13,334
	me / (Expense)		
	Dividend Income	\$0	\$0
421 Non-Utility		0	(
	ous Non-Utility (Expense)	0	
427 Interest (Ex		0	0
Total Othe	r Income / (Expense)	\$0	\$0
Net Income	e / (Loss)	\$8,975	\$75,334
Total numb	er of employees	12	3

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Ajo Improvement - Electric ELECTRIC UTILITIY ANNUAL REPORT UTILITY SHUTOFFS / DISCONNECTS 12/31/20

UTILITY SHUTOFFS / DISCONNECTS					
		Termination with			
Month	Termination without	Notice R14-2-			
	Notice R14-2-211.B	211.C	Other		
January	0	3	0		
February	0	2	0		
March	0	1	0		
April	0	0	0		
May	0	0	0		
June	0	0	0		
July	0	0	0		
August	0	0	0		
September	0	0	0		
October	0	0	0		
November	0	0	0		
December	0	0	0		
Total	0	6	0		

Other (description):	N/A	

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Ajo Improvement Company (AIC)

Information regarding Bank Balance Refund and Related Interest in Compliance with Decision No. 77287

In Decision No. 77287, AIC was allowed to refund its then-existing PPFAC bank balance and 90% of its then-existing REST bank balance and was required to "provide two percent interest annually on the PPFAC and REST bank balances until they are fully refunded, and shall track and report the annual accrued interest as part of Ajo Improvement Company's Annual Report to the Commission's Utilities Division."

Based on the timing of the rate case decision, the initial amount of the bank balances to be refunded was \$198,912.00 for the PPFAC and \$59,710.61 for the REST. In order to minimize administrative effort and costs, AIC accrued two years of annual interest at the outset of the refunding process rather than waiting to accrue interest on smaller balances later in the process, which benefitted the customers by providing a larger amount of interest. The details of the accrued interest are set forth below:

July 2019 AIC frozen PPFAC bank	
balance	\$ 198,912.00
Year 1 2% interest	\$ 3,978.24
	\$ 202,890.24
Year 2 2% interest	\$ 4,057.80
,	\$ 206,948.04
Total interest on frozen PPFAC bank balance	\$ 8,036.04
July 2019 AIC REST balance	\$ 59,710.61
Year 1 2% interest	\$ 1
	\$ 60,904.82
Year 2 2% interest	\$ 1,218.10
	\$ 62,122.92
Total interest on REST balance	\$ 2,412.31

The total amount to be refunded is 269,360.69, of which \$10,448.35 was accrued interest.

The refunding process commenced on September 30, 2019 and in anticipated to conclude by July 31, 2021.